

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7009

BILL NUMBER: SB 408

DATE PREPARED: Feb 17, 2000

BILL AMENDED: Feb 16, 2000

SUBJECT: IDFA educational facility projects; Bonding Authority

FISCAL ANALYST: Diane Powers

PHONE NUMBER: 232-9853

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill expands the definition of "educational facility project" for purposes of the Indiana Development Finance Authority (IDFA) law to permit the authority to provide funding to certain nonprofit corporations for real property and improvements, personal property, and noncapital costs to fund a judgment, settlement, or other cost or liability.

This bill also provides for bonding authority to the State Office Building Commission for a judicial/legislative building.

Effective Date: (Amended) Upon passage; July 1, 2000.

Explanation of State Expenditures: (Revised) *Indiana Development Finance Authority:* This bill would also allow the Indiana Development Finance Authority to act as the conduit issuer of bonds for a nonprofit organization that has its headquarters or a primary educational or exhibit facility located on state owned land. The NCAA has been identified as an organization that qualifies under this provision. The proceeds from the bond issues may be used to pay for real property and improvements, personal property, and non-capital costs to fund judgements, settlements, or non-recurring expenditures. Theses bond issues will not create any liability for the State of Indiana. Administrative costs for the Indiana Development Finance Authority would be minimal and paid for with existing resources.

State Office Building Commission Bonding Authority: This bill also authorizes the State Office Building Commission to finance and issue bonds for the construction and use of a judicial/legislative facility (subject to the approval of the State Budget Agency after review by the Budget Committee). The state will be required to make debt service payments once the bonds are issued. It is not anticipated that the first debt service payments or appropriation will be needed before FY 2005 due to time needed for the design and construction of the facility. To date no official information is available pertaining to the amount of funds required for this facility.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Development Finance Authority; State Office Building Commission; State Budget Committee; State Budget Agency.

Local Agencies Affected:

Information Sources: Indiana Development Finance Authority; State Budget Agency.